



National Cooperation Policy 2025

Cooperation to Prosperity: Paving the Way for Viksit Bharat 2047

August 02, 2025

Cooperation has been an integral part of India's heritage. Even small things or limited resources, when united, can achieve significant results.

- Prime Minister Narendra Modi

Key Takeaways

- India has over **8.44 lakh cooperatives** with **30+ crore members**.
- The **National Cooperation Policy** aims to make cooperatives key drivers for **Viksit Bharat 2047** through **Sahkar-se-Samriddhi**.
- Focus is on **legal reforms**, **digitalization**, and **financial empowerment**.
- The policy promotes **inclusive participation** of women, youth, SC/STs.
- The policy also suggests expansion of cooperatives into **new sectors** like clean energy, waste management, and technology.

Introduction

The **National Cooperation Policy (NCP) 2025** marks a strategic roadmap for revitalizing India's cooperative sector to meet the nation's goal of becoming "**Viksit**" by **2047**. Rooted in the ethos of **Sahkar-se-Samriddhi**, this policy aims to build on the unique strengths of India's cooperative tradition, promote **economic democratization**, and uplift **rural economies** through collective participation.

- India is home to over **8.44 lakh cooperatives**, including **2 lakh credit cooperatives** and **6 lakh non-credit cooperatives** spanning housing, dairy, fisheries, and more.
- With over **30 crore members**, cooperatives remain a key socio-economic driver, especially in rural India.

Cooperatives in India

8.44 Lakh Cooperatives in India

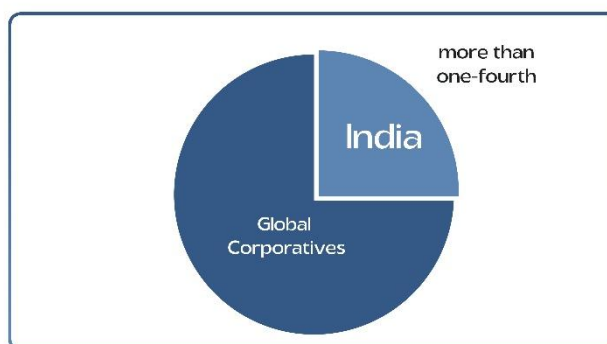
2 Lakh

Credit
Cooperatives

6 Lakh

Non-Credit
Cooperatives

Over 30 Crore members



Source: National Cooperation Policy 2025

India has **more than one-fourth** of the world's cooperatives.

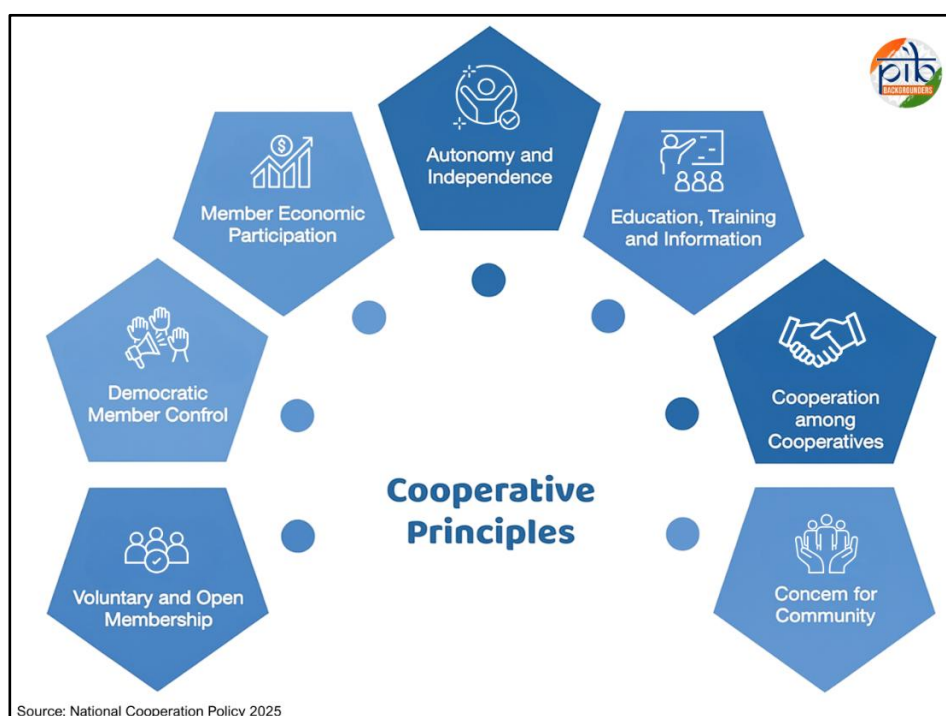
What is a Cooperative?

A cooperative is an **autonomous association** of persons, **united voluntarily** to meet their common **economic, social, and cultural needs** and aspirations through a jointly owned and democratically member-controlled **enterprise**.

Difference between Credit and Non-Credit Cooperatives

Aspect	Credit Cooperatives	Non-Credit Cooperatives
Function	Provide financial services like loans and savings	Provide goods/services like farming inputs, housing, etc.
Examples	PACS, Urban Cooperative Banks	Dairy, Marketing, Consumer, Housing Cooperatives

The Indian cooperative movement has been the flag bearer of a **participatory, people-led development** model aimed at socio-economic upliftment at the grassroots level for more than a century. Cooperatives in India are guided by core cooperative principles and they are owned by members, operated by members, and for the benefit of members.



Historical Context & Need for a New Policy

The last cooperative policy, framed in **2002**, was now proving to be **outdated** due to the **radical shifts** brought on by **globalization, digitization, and socio-economic transformation**.

Recognizing these developments, the **Ministry of Cooperation** (established in **2021**) initiated the formulation of a new policy in **September 2022**.

A **48-member** committee, led by **Shri Suresh Prabhu**, consulted stakeholders across **4 regional workshops** and **17 meetings**, collecting a **total of 648 inputs** to draft the current policy. The committee comprised members from national/state cooperative federations and societies across all levels and sectors, representatives from related Central and State Government Ministries/Departments, and academia.

Vision, Mission & Objectives

Vision

To significantly contribute to India's collective ambition of becoming 'Viksit' by 2047 through the promotion of an environment conducive to **sustainable cooperative development**, following the vision of 'Sahkar-se-Samridhhi'.

Mission

To create an **enabling legal, economic, and institutional framework** that will strengthen and deepen the cooperative movement at the **grassroots level** and **facilitate the transformation** of cooperative enterprises into professionally managed, transparent, technology-enabled, vibrant, and responsive economic entities to support production by the masses.

Objectives of National Cooperative Policy



Creating a conducive legal and regulatory environment through timely reforms to provide autonomy, promote transparency, ease of doing business, good governance, and provide a level playing field for cooperatives

Enhancing cooperation among cooperatives, strengthening the cooperative structure, and expanding the geographical reach.

Encouraging multi-dimensional expansion, including access to international markets and increasing members' income.

Enabling the transformation of cooperatives into professionally managed economic entities based on cooperative principles.

Promoting cooperatives as a people's movement, particularly involving youth and women, to further strengthen the movement.

Promoting environment-friendly practices and a circular economy for sustainability.

Promoting the development of standardized, high-quality, cooperative-focused courses and the creation of authoritative content.

Ensuring the availability of cooperative sector practitioners as part-time resource persons, quality teachers, instructors, trainers, and visiting faculty in sufficient numbers, in the cooperative sector.

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- Fostering accessible and affordable finance and equal business opportunities akin to other economic institutions.
 - Promoting the development of a cooperative business ecosystem.
 - Enhancing technology adoption for efficient and transparent management.
 - Promoting inclusivity and member centrality, and reaching out to every corner of the country and the population through the cooperative setup.
 - Promoting and encouraging the entry of cooperatives in new and emerging sectors.
 - Motivating and inspiring youth, especially those in rural and semi-urban areas, to pursue long-term careers in cooperative enterprises.
 - Promoting an ecosystem for skilling and upskilling of youth and women for employment in the cooperative sector.
 - Developing an ecosystem that facilitates the ease of hiring of suitable candidates by cooperatives and simplifies the job search process for potential candidates.

Source: National Cooperation Policy 2025

Strategic Pillars

The policy is structured around **six mission pillars** and **16 objectives**:

1. **Strengthening the Foundation** – Legal reforms, better governance, access to finance, digitalization.
2. **Promoting Vibrancy** – Creating business ecosystems, expanding exports and rural clusters.
3. **Making Cooperatives Future-Ready** – Technology integration, professional management, cooperative stack.
4. **Promoting Inclusivity and Deepening Reach** – Promoting cooperative-led inclusive development and cooperatives as a *people's movement*.
5. **Entering New and Emerging Sectors** – Biogas, clean energy, warehousing, healthcare, etc.
6. **Shaping Young Generation for Cooperative Growth** – Courses, training, employment exchanges.

Key Highlights of the Policy

Legislative and Institutional Reforms

- Encourage States to **amend cooperative laws** (Cooperative Societies Acts and Rules) to enhance transparency, autonomy and the ease of doing business.
- Promote **digitalization of registrar offices** and real-time cooperative databases.
- **Revive sick cooperatives** with institutional mechanisms.

Financial Empowerment

- Preserve and promote the three-tier **Primary Agriculture Credit Societies - District Central Cooperative Bank - State Cooperative Bank** credit structure.
- Promote cooperative banks and umbrella organizations (like National Urban Cooperative Finance & Development Corporation).
- Enable cooperative banks to handle government businesses.

Business Ecosystem Development

- **Model cooperative villages** with multipurpose PACS as growth engines.
- Encouraging States/UTs to develop at least one model cooperative village.
- Develop **rural economic clusters** (e.g., honey, spices, tea).
- Support branding under the '**Bharat**' brand.

Model Cooperative Village

A Model Cooperative Village is a self-reliant rural unit developed through a cooperative-led, household-focused approach to enhance livelihoods and productivity.

Future-Readiness & Technology

- Develop a national '**Cooperative Stack**' integrating with **Agri-stack** and **databases**.
- Promote **Open Network for Digital Commerce** (ONDC) and **Government e-marketplace** (GeM) platform integration.
- Encourage research and innovation through **cooperative incubators** and **Centres of Excellence**.

Open Network for Digital Commerce (ONDC)

The ONDC is a transformative initiative by the **Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce**, Government of India aimed at **democratizing digital commerce**. Launched in **April 2022**, ONDC aims at promoting open networks for all aspects of exchange of goods and services over digital or electronic networks.

Government e-Marketplace (GeM)

GeM is an online platform for **public procurement** in India. The initiative was launched on **August 09, 2016** by the **Ministry of Commerce and Industry** with the objective to create an **open** and **transparent** procurement platform for **government buyers**.

Inclusivity Measures

- **Active participation** of youth, women, SC/STs, and differently-abled in cooperatives.
- **Model bye-laws** for gender representation and transparent governance.
- Cooperative **awareness campaigns** in schools and colleges.

Model Bye-Laws

The Model Bye-laws are simply a **representative sample** and a **guide** to frame bye-laws of a multi-state cooperative society.

Sectoral Diversification

- Promote cooperatives in **new and emerging sectors** such as:
 - a) Renewable energy,
 - b) Waste management,
 - c) Health and education,
 - d) Mobile-based aggregator services (e.g., for plumbers, taxi drivers),
 - e) Organic and natural farming,
 - f) Biogas and ethanol production, etc.

Youth-Oriented Capacity Building

- Develop **cooperative-focused courses** in higher education institutions (HEIs).
- Build a national **digital cooperative employment exchange**.
- Promote **financial and digital literacy** among youth.
- **Recruit quality cooperative teachers** and resource persons.

Implementation and Monitoring



A robust multi-tier implementation structure is proposed:

- **Implementation Cell** within the Ministry of Cooperation with technical Project Management Unit support for effective and timely implementation of the policy.
- **National Steering Committee on Cooperation Policy** chaired by the Union Cooperation Minister will be constituted for overall guidance, inter-ministerial coordination, periodic policy review, etc.
- **Policy Implementation and Monitoring Committee** headed by the Union Cooperation Secretary for coordination with States, troubleshooting implementation bottlenecks, periodic monitoring and evaluation, etc.
- A detailed action plan with timelines is yet to be issued.

Conclusion

The National Cooperation Policy 2025 reaffirms India's commitment to strengthening cooperative institutions as inclusive and decentralized engines of development. It combines democratic participation with economic competitiveness, aiming to uplift millions by integrating cooperative values with modern practices. The policy not only reinvigorates traditional cooperative sectors but also opens new frontiers in energy, tech, and services – truly making cooperatives a 'second engine' of India's economic growth by 2047.

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